



Staff Report

POLICE DEPARTMENT/CITY HALL PROJECT – APRIL MONTHLY UPDATE

Honorable Mayor and Council Members

Summary

Staff provides an update on the Police Department/City Hall project to the City Council and community on a monthly basis. This report provides updated information such as recent construction activities, upcoming construction activities, and budget/change orders. Selected photos of the project and an updated schedule are also included.

Background

On July 22, 2003 the City Council approved the plans and specifications for the Police Department/City Hall project and directed staff to issue them to the pre-qualified bidders. The project includes, but is not limited to, the seismic retrofit of City Hall and the addition of 8,000 square feet. Bids were opened on October 1, 2003 and the lowest responsible bidder was Thompson Pacific of San Rafael, which was awarded the contract on October 14. A Notice to Proceed was issued on October 30 with work to begin on November 10, 2003 and continue for 410 days.

As of April 18, 2005 we are at day 526 of the project. Clearly the timeline has slipped from the original completion date, as noted before and below.

Discussion

Recent construction activities -

- Rough grading of the landscaped area and placement of the decorative rocks completed.
- Hardscape in plaza area completed.
- Final metal panel trim and caulking nearly complete.
- Exterior finishes on the front of the addition (stone base, metal fins, lights) essentially complete.
- Wood paneling in the lobby completed.
- Wood ceiling in the Council Chamber completed.
- Council dais nearly complete.
- Carpeting/flooring on the second and third floors completed and nearing completion of the first floor.

- Surface (Corian) countertops installed.
- Quality Control list (punch list) created by contractor.
- Construction trailer moved to new location.
- Architect's and Owner's punch list inspection scheduled.
- Final Phase I Building Department and South County Fire, inspections scheduled.

Upcoming construction activities –

- HVAC air balancing.
- Finish Phase I interior finishes.
- Finish Phase I landscaping.
- SBC to begin work installing the 9-1-1 system.
- Complete punch list work
- Transition period and start of Phase II

Miscellaneous issues –

Move/Opening:

We will move on Thursday, April 28. City Hall will be closed to the public at noon on Thursday. The movers will begin moving the suites in the afternoon and expect to finish Thursday night. City Hall will remain closed to the public on Friday so staff can unpack and get their offices/suites together. Police, Finance and Parks and Recreation will be fully operational during the closure of City Hall, and the City Manager's Office and Human Resources will be open for non-walk in business.

City Hall will open to the public through the new, One Twin Pines Lane lobby at 8 AM on Monday, May 2. A press release with this information has been distributed and signs have been posted about the closure.

When City Hall reopens, the Permit Center will be on the ground floor and a new Cashier/Information desk will be in the lobby. The Police side of the ground floor will not be occupied yet, as all of PD will move in at the end of Phase II. The only open space on the second floor will be the Council Chamber. On the third floor, Public Works, the Clerk and Information Services will be in their new suites, and a large conference room will be available. The City Manager's Office and Human Resources do not move (though suite numbers change). A copy of a handout with the new layout of the building is attached.

A "ribbon cutting" has been set for Tuesday, May 3 at 9 AM to formally open the building. The bigger, public celebration will be a "community open house" this summer after the project is entirely done.

The contractor moved their site trailer and that row of parking is now available to the public and employees. The contractor and subcontractors are now using most of the row of parking across from the current main entrance. Once the "north" driveway off Sixth Avenue is opened up, the "south" driveway will be completely closed.

Fence:

Work on the fence around the generator has begun. Staff is planning on fencing the garbage enclosure and adding a gate across the Police parking driveway on Sixth Avenue at the end of Phase II, but not completing the other fencing due to budget constraints.

Interior Logo:

As noted last month, the contract documents were not explicit on the desired logo in the Council Chamber and installing one would be a change order. Given current problems with the sign subcontractor, staff will be exploring options through other vendors.

Chamber Suite:

The Chamber of Commerce has moved into their new suite (105) at the north east corner of the building. They (and the dentist) will maintain the 1070 Sixth Avenue address.

Discussions with Contractor:

Staff and our construction manager have met with the contractor's project manager to discuss delay claims to try to sort out who is responsible for which aspect of the delay. The contractor has claimed 120 days against; we do not agree with this assessment and are seeking an equitable solution consistent with the terms of the contract.

Budget/change orders –

The construction contract with Thompson Pacific is for \$7,085,000 (plus approved change orders); Council approved a contingency of \$569,100.

Total Available for the project:	\$9,985,100
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As of March 31, 2005, approximately \$3.6 million has been expended this fiscal year and a balance of just under \$2.1 million remains.

Change Orders –

As of April 18, eleven formal change orders, addressing forty-four separately negotiated changes (including twelve credits), have been processed and paid, for a net total of \$34,938.

Despite the lack of numerous formally approved change orders, we know of other construction elements that will result in extra costs to the City. The significant components include: additional demo for the generator pad, steel collectors under the thickened slab, changes to the structural steel, revisions to the roof slope, rerouting conduit for the generator, carpets in the new stairwell, additional electrical work, changes to the existing fire protection system, and changes to the Police telecomm room.

As noted in past reports, there are also a number of situations that should result in credits to the City. For example, deletion of the elevator sump pump, reduced conduit and wiring for the new generator, reduced work in the existing north stairs, and deletion of fire alarm devices.

Draws on Contingency -

On balance, therefore, our rough estimate is that the current net cost of the construction changes identified to date is about **\$255,000**. This month's estimate is essentially unchanged as a combined result of relatively few new cost issues and successfully credit negotiations. Please keep in mind this net cost projection is based on our construction manager's estimates only – not actual agreements with the contractor.

In addition, as noted before, there are other (non-construction) estimated charges against the contingency. For example, the archaeological costs are higher than budgeted, as will be the audio-video equipment and reconnecting the phone lines. Other significant additional expenses include site planning for the current PD site, new workstations for the police dispatch center, additional storage and furniture rental costs, developing the new furniture specs, fencing, and additional construction management fees. Staff recently got an estimate of the cost of hazardous material removal from the current Police building, and it was over \$50,000. The plans and specifications for the actual demolition are still being worked on, but it is clear the total cost is likely to be more than originally budgeted. A final cost estimate will be prepared once all the preliminary work is completed.

Budget Review

Because internal tracking numbers were not matching budget report figures, staff has been carefully reviewing the project budget with the assistance of the Finance Department over the past several months. After a number of meetings and reviewing all expenditures over the past 5 years, and accounting for all expected remaining expenses (including an estimate for all projected change orders), we have reconciled numbers and it looks like we are within \$30,000 of the project budget. This figure includes the increased cost estimate for the hazardous materials removal from the current Police building noted above.

Staff will continue to monitor actual expenditures to the plan and will update Council regularly.

Project schedule -

Below is the timeline as of this date.

Some activity delays may be attributable to design and/or documentation errors, so it is likely that some of the delays will be considered “concurrent” (offsetting - “their” fault and “our” fault). As noted above, additional discussions will be necessary with the general contractor to try to resolve these delay issues without litigation.

Milestone	Original Schedule	Revised	Actual	Comments
<i>Phase I:</i>				
Demolition	Jan. 9		Jan 9	
Foundations	Feb. 13		Feb 13	
Shear Walls - Existing Building	March 29		April 7	
Concrete Walls – Addition	April 29		May 26	
Structural Steel	June 23		Sept 16	
Roof on Addition	August 4		Feb 24	
Complete Landscaping	August 26	Apr 15		<i>Not completed</i>
Complete Site work	Oct. 14	Apr 26		
Structural Glass	August 20	April 6		<i>Only very minor work to complete</i>
Phase I complete	Oct. 14	Apr 27		
Transition period	Oct. 25	April 28 – May 4		<i>By Contract the City has 7 seven calendar days to complete the move</i>
<i>Phase II:</i>				
Demolition	Nov 4	May 9		
Tenant Improvements (currently occupied areas)	Oct. – Dec.	May - June		
Phase II complete	Dec. 23	June 29		<i>Based on performance to date, this is questionable</i>

Photo's -

The following pictures show some of the progress since the last update.



Fiscal Impact

There is no fiscal impact to this report.

Recommendation

It is recommended that Council accept the update provided in this report

Alternatives

1. Provide alternative direction to staff.
2. Take no action.

Attachments

A. Building Layout

Respectfully submitted,

Daniel Rich
Interim City Manager